



HEALTH QUARTERLY STATEMENT

AS OF MARCH 31, 2003
OF THE CONDITION AND AFFAIRS OF THE

Priority Health

NAIC Group Code	3383 <small>(Current Period)</small>	3383 <small>(Prior Period)</small>	NAIC Company Code	95561	Employer's ID Number	38-2715520
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health []		Property/Casualty []		Dental Service Corporation []	
	Vision Service Corporation []		Other []		Health Maintenance Organization [X]	
	Hospital, Medical & Dental Service or Indemnity []		Is HMO, Federally Qualified? Yes [] No [X]			
Incorporated	03/07/1986		Commenced Business	10/15/1986		
Statutory Home Office	1231 East Beltline <small>(Street and Number)</small>			Grand Rapids, MI 49525-4501 <small>(City or Town, State and Zip Code)</small>		
Main Administrative Office	1231 East Beltline <small>(Street and Number)</small>			616-942-0954 <small>(Area Code) (Telephone Number)</small>		
	Grand Rapids, MI 49525-4501 <small>(City or Town, State and Zip Code)</small>					
Mail Address	1231 East Beltline <small>(Street and Number or P.O. Box)</small>			Grand Rapids, MI 49525-4501 <small>(City or Town, State and Zip Code)</small>		
Primary Location of Books and Records	1231 East Beltline <small>(Street and Number)</small>			616-464-8235 <small>(Area Code) (Telephone Number)</small>		
	Grand Rapids, MI 49525-4501 <small>(City or Town, State and Zip Code)</small>					
Internet Website Address	www.priority-health.com					
Statutory Statement Contact	Malcolm Hall <small>(Name)</small>			616-464-8235 <small>(Area Code) (Telephone Number) (Extension)</small>		
	malcolm.hall@priority-health.com <small>(E-mail Address)</small>			616-942-7916 <small>(FAX Number)</small>		
Policyowner Relations Contact						

OFFICERS

President	Kimberly K Horn	Secretary	Judith W Hooyenga
Treasurer	Dennis J Reese		

VICE PRESIDENTS

Dennis J Reese	Judith W Hooyenga
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DIRECTORS OR TRUSTEES

Richard C. Breon	Marilyn M Brown	Gaylen J Byker
James H Childress	Dale A Dykema	Michael P Freed
Jon M Gans	David E Gast	Gail D Gwizdala
Jody D Vanderwel	Edward A Higuera	Nicholas P Kokx
Lynn M Kotecki	Thomas R Macholan	Charles E McCallum
George N Monsma	Timothy V Smith	Hilary F Snell
Luis A Tomatis	Joseph L Brock	Harold E Burrell
Kenneth J Fawcett	Jerold R Harwood	Peter B Lundeen
Donald Oetman	Dale M Sowders	

State ofMichigan.....

County ofKent.....

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The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

Kimberly K Horn

President

Judith W. Hooyenga

Secretary

Dennis J Reese

Treasurer

Subscribed and sworn to before me this

14th

day of

May, 2003

Cheryl Britcher

Administrator to the Office of the President

12/30/2005

STATEMENT AS OF MARCH 31, 2003 OF THE Priority Health

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	39,575,106	0	39,575,106	41,313,772
2. Stocks:				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	0	0	0	0
3. Mortgage loans on real estate:				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances).....	674,406	0	674,406	714,177
4.2 Properties held for the production of income (less \$ encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$ encumbrances)	0	0	0	0
5. Cash (\$69,823,074) and short -term investments (\$40,905,099)	110,728,173		110,728,173	79,137,817
6. Contract loans, (including \$premium notes)	0	0	0	
7. Other invested assets	2,601,168	0	2,601,168	3,520,750
8. Receivable for securities	0	0	0	0
9. Aggregate write-ins for invested assets	15,000	15,000	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	153,593,853	15,000	153,578,853	124,686,516
11. Investment income due and accrued	1,229,395	0	1,229,395	722,964
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection	14,659,115	66,585	14,592,530	12,971,630
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....	0	0	0	
12.3 Accrued retrospective premiums.....	0	0	0	
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers	0	0	0	0
13.2 Funds held by or deposited with reinsured companies	0	0	0	
13.3 Other amounts receivable under reinsurance contracts	0	0	0	
14. Amounts receivable relating to uninsured plans	0	0	0	0
15.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
15.2 Net deferred tax asset.....	0	0	0	0
16. Guaranty funds receivable or on deposit	0	0	0	
17. Electronic data processing equipment and software	1,096,915	679,121	417,794	590,938
18. Furniture and equipment, including health care delivery assets (\$)	429,574	429,574	0	0
19. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
20. Receivables from parent, subsidiaries and affiliates	3,304,432	2,135,179	1,169,253	2,670,876
21. Health care (\$) and other amounts receivable.....	10,277,984	3,408,633	6,869,351	8,784,510
22. Other assets nonadmitted			0	0
23. Aggregate write-ins for other than invested assets	1,256,375	1,256,375	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	185,847,643	7,990,467	177,857,176	150,427,434
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. Total (Lines 24 and 25)	185,847,643	7,990,467	177,857,176	150,427,434
DETAILS OF WRITE-INS				
0901. LT investment in Michigan Affiliated Health Plan.....	15,000	15,000	0	0
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	15,000	15,000	0	0
2301. Goodwill.....	537,708	537,708	0	0
2302. Prepaid Expenses.....	718,667	718,667	0	0
2303.			0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	1,256,375	1,256,375	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$1,152,000 reinsurance ceded)	.....62,572,650	.....7,493,879	.....70,066,529	.....59,740,655
2. Accrued medical incentive pool and bonus payments .....	.....19,922,654		.....19,922,654	.....14,052,199
3. Unpaid claims adjustment expenses .....	.....1,276,993	.....152,936	.....1,429,929	.....1,097,487
4. Aggregate health policy reserves .....			.....0	.....0
5. Aggregate life policy reserves .....			.....0	
6. Property/casualty unearned premium reserve .....			.....0	
7. Aggregate health claim reserves .....			.....0	.....0
8. Premiums received in advance .....	.....16,720,452		.....16,720,452	.....10,192,198
9. General expenses due or accrued .....	.....1,141,410		.....1,141,410	.....1,036,550
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses)) .....			.....0	.....0
10.2 Net deferred tax liability.....			.....0	.....0
11. Ceded reinsurance premiums payable .....			.....0	
12. Amounts withheld or retained for the account of others .....			.....0	.....0
13. Remittances and items not allocated .....			.....0	
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current) .....			.....0	.....0
15. Amounts due to parent, subsidiaries and affiliates .....	.....827,307		.....827,307	.....2,404,776
16. Payable for securities .....			.....0	.....0
17. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$unauthorized reinsurers) .....			.....0	.....0
18. Reinsurance in unauthorized companies .....			.....0	.....0
19. Net adjustments in assets and liabilities due to foreign exchange rates .....			.....0	.....0
20. Liability for amounts held under uninsured accident and health plans .....			.....0	.....0
21. Aggregate write-ins for other liabilities (including \$ current) .....	.....0	.....0	.....0	.....0
22. Total liabilities (Lines 1 to 21).....	.....102,461,466	.....7,646,815	.....110,108,281	.....88,523,865
23. Common capital stock .....	.....XXX	.....XXX	.....10,524	.....10,524
24. Preferred capital stock .....	.....XXX	.....XXX		.....0
25. Gross paid in and contributed surplus .....	.....XXX	.....XXX	.....31,224,054	.....29,760,771
26. Surplus notes .....	.....XXX	.....XXX		.....0
27. Aggregate write-ins for other than special surplus funds .....	.....XXX	.....XXX	.....1,000,000	.....1,000,000
28. Unassigned funds (surplus) .....	.....XXX	.....XXX	.....35,514,317	.....31,132,274
29. Less treasury stock, at cost:				
29.1 .....shares common (value included in Line 23) \$ ..... ) .....	.....XXX	.....XXX		.....0
29.2 .....shares preferred (value included in Line 24) \$ ..... ) .....	.....XXX	.....XXX		.....0
30. Total capital and surplus (Lines 23 to 28 minus Line 29) .....	.....XXX	.....XXX	.....67,748,895	.....61,903,569
31. Total liabilities, capital and surplus (Lines 22 and 30)	.....XXX	.....XXX	.....177,857,176	.....150,427,434
DETAILS OF WRITE-INS				
2101. Other Accrued Expenses.....			.....0	.....0
2102.				
2103.				
2198. Summary of remaining write-ins for Line 21 from overflow page .....	.....0	.....0	.....0	.....0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above)	.....0	.....0	.....0	.....0
2701. Appropriated Retained Earnings.....	.....XXX	.....XXX	.....1,000,000	.....1,000,000
2702. ....	.....XXX	.....XXX		
2703. ....	.....XXX	.....XXX		
2798. Summary of remaining write-ins for Line 27 from overflow page .....	.....XXX	.....XXX	.....0	.....0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	.....XXX	.....XXX	.....1,000,000	.....1,000,000

STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year To Date
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	924,485	3,467,361
2. Net premium income (including .....(419,915) non-health premium income).....	XXX	183,101,733	606,858,726
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	183,101,733	606,858,726
Hospital and Medical:			
9. Hospital/medical benefits		116,933,118	363,501,816
10. Other professional services		132,951	821,704
11. Outside referrals		4,101,450	20,675,709
12. Emergency room and out-of-area		3,460,751	21,921,285
13. Prescription drugs		36,737,594	132,016,611
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool and withhold adjustments			0
16. Subtotal (Lines 9 to 15)	0	161,365,864	538,937,125
Less:			
17. Net reinsurance recoveries			196,293
18. Total hospital and medical (Lines 16 minus 17)	0	161,365,864	538,740,832
19. Non-health claims			
20. Claims adjustment expenses		8,734,923	13,110,171
21. General administrative expenses.....		6,863,154	42,956,275
22. Increase in reserves for life and accident and health contracts including \$ increase in reserves for life only).....			0
23. Total underwriting deductions (Lines 18 through 22)	0	176,963,941	594,807,278
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	6,137,792	12,051,448
25. Net investment income earned	0	479,096	4,183,633
26. Net realized capital gains or (losses)	0	(243,107)	(790,833)
27. Net investment gains or (losses) (Lines 25 plus 26)	0	235,989	3,392,800
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0
29. Aggregate write-ins for other income or expenses	0	27,323	304,130
30. Net income or (loss) before federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	6,401,104	15,748,378
31. Federal and foreign income taxes incurred	XXX		0
32. Net income (loss) (Lines 30 minus 31)	XXX	6,401,104	15,748,378
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	0	0
1401. Pharmacy Expenses.....			0
1402.			0
1403.			0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0
2901. COB & Subrogation.....		27,323	304,130
2902.			0
2903.			0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	27,323	304,130

CAPITAL AND SURPLUS ACCOUNT

	1 Current Year to Date	2 Prior Year To Date
CAPITAL AND SURPLUS ACCOUNT:		
33. Capital and surplus prior reporting period	61,903,566	44,345,508
GAINS AND LOSSES TO CAPITAL & SURPLUS:		
34. Net income or (loss) from Line 32	6,401,104	15,748,378
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Net unrealized capital gains and losses	(426,903)	(260,202)
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax		0
39. Change in nonadmitted assets	(193,323)	(2,763,052)
40. Change in unauthorized reinsurance	0	0
41. Change in treasury stock		0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in		0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	1,463,283	5,312,184
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		0
47. Aggregate write-ins for gains or (losses) in surplus	(1,398,832)	(479,250)
48. Net change in capital & surplus (Lines 34 to 47)	5,845,329	17,558,058
49. Capital and surplus end of reporting period (Line 33 plus 48)	67,748,895	61,903,566
DETAILS OF WRITE-INS		
4701. Gain/(Loss) in Affiliates.....	(1,398,832)	(479,250)
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	(1,398,832)	(479,250)

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	190,695,026	596,939,924
2. Net investment income	1,304,237	3,587,398
3. Miscellaneous income	45,336	0
4. Total (Lines 1 to 3)	192,044,599	600,527,322
5. Benefits and loss related payments	145,169,535	549,287,389
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions	15,188,098	42,450,677
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) \$ net tax on capital gains (losses)	0	0
10. Total (Lines 5 through 9)	160,357,633	591,738,066
11. Net cash from operations (Line 4 minus Line 10)	31,686,966	8,789,256
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	4,415,773	10,559,797
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash and short-term investments	(145,378)	(873,454)
12.7 Miscellaneous proceeds	837,414	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	5,107,809	9,686,343
13. Cost of investments acquired (long-term only):		
13.1 Bonds	2,839,471	36,561,040
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	160,052
13.5 Other invested assets	0	3,520,750
13.6 Miscellaneous applications	(240,571)	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,598,900	40,241,842
14. Net increase (or decrease) in policy loans and premium notes	0	
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	2,508,909	(30,555,499)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	
16.2 Capital and paid in surplus, less treasury stock.....	1,463,283	5,312,184
16.3 Borrowed funds received.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied).....	(4,068,803)	814,552
17. Net cash from financing and miscellaneous sources (Line 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)	(2,605,520)	6,126,736
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
18. Net change in cash and short-term investments (Line 11 plus Line 15 plus Line 17)	31,590,355	(15,639,507)
19. Cash and short-term investments:		
19.1 Beginning of period	79,137,817	94,777,324
19.2 End of period (Line 18 plus Line 19.1).....	110,728,172	79,137,817

STATEMENT AS OF MARCH 31, 2003 OF THE Priority Health

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
		2	3										
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year	288,535	207	288,328	.0	.0	.0	.0	.0	.0				.0
2. First Quarter	311,254	630	310,624										
3. Second Quarter .....	.0												
4. Third Quarter .....	.0												
5. Current Year	0												
6. Current Year Member Months	924,485	1,804	922,681										
Total Member Ambulatory Encounters for Period:													
7. Physician	517,974	1,011	516,963										
8. Non-Physician	14,045	27	14,018										
9. Total	532,019	1,038	530,981	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	17,481	34	17,447										
11. Number of Inpatient Admissions	4,793	9	4,784										
12. Health Premiums Collected	175,925,013	532,341	175,392,672										
13. Life Premiums Direct .....	.0												
14. Property/Casualty Premiums Written .....	.0												
15. Health Premiums Earned	183,521,648	555,328	182,966,320										
16. Property/Casualty Premiums Earned .....	.0												
17. Amount Paid for Provision of Health Care Services	144,837,091	272,116	143,306,490						1,258,485				
18. Amount Incurred for Provision of Health Care Services	161,365,864	293,852	160,567,509						504,503				

CLAIMS PAYABLE (Reported and Unreported)

[illegible]

UNDERWRITING AND INVESTMENT EXHIBIT
ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital & medical)	37,349,258	106,082,765	14,528,042	56,212,885	51,877,300	58,204,620
2. Medicare Supplement .....					.0	.0
3. Dental Only .....					.0	.0
4. Vision Only .....					.0	.0
5. Federal Employees Health Benefits Plan Premiums .....					.0	.0
6. Title XVIII - Medicare .....					.0	.0
7. Title XIX - Medicaid	735,971		755,531		1,491,502	1,536,035
8. Other Health .....					.0	.0
9. Health Subtotal (Lines 1 to 8).....	38,085,229	106,082,765	15,283,573	56,212,885	53,368,802	59,740,655
10. Other non-health .....					.0	
11. Medical incentive pools, accruals and disbursements	669,098		15,713,841	4,208,813	16,382,939	14,052,199
12. Totals	38,754,327	106,082,765	30,997,414	60,421,698	69,751,741	73,792,854

NOTES TO FINANCIAL STATEMENTS

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements?

Yes [] No [X]
- 1.2

If yes, explain:
.....
- 2.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes [] No [X]
- 2.2

If yes, has the report been filed with the domiciliary state?

Yes [] No []
- 3.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]
- 3.2

If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.
4.

Have there been any substantial changes in the organizational chart since the prior quarter end?
If yes, attach an explanation.

Yes [] No [X]
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]
- 5.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....

6.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

If yes, attach an explanation.

Yes [] No [X] NA []
- 7.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/1999
- 7.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/1999
- 7.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/21/2001
- 7.4

By what department or departments?
.....
- 8.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes [] No [X]
- 8.2

If yes, give full information:
.....
- 9.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?.....

Yes [] No [X]
- 9.2

If response to 9.1 is yes, please identify the name of the bank holding company.
.....
- 9.3

Is the company affiliated with one or more banks, thrifts or securities firms?.....

Yes [] No [X]
- 9.4

If response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
.....
.....
.....

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

INVESTMENT

10.1 Has there been any change in the reporting entity's own preferred or common stock? Yes [] No [X]

10.2 If yes, explain:
.....

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]

11.2 If yes, give full and complete information relating thereto:
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA:\$0

13. Amount of real estate and mortgages held in short-term investments:\$0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [X] No []

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Statement Value	Current Quarter Statement Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$	\$
14.24 Short-term Investments	\$	\$
14.25 Mortgages, Loans or Real Estate	\$	\$
14.26 All Other	\$3,535,750	\$2,601,168
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$3,535,750	\$2,601,168
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$
14.29 Receivable from Parent not included in Lines 14.21 to 14.26 above	\$	\$

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [X]

If no, attach a description with this statement.

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian Address
Fifth Third Bank.....	Cincinnati, OH 45263.....
Huntington National Bank.....	Columbus, OH 43216.....
Prime Advisors, Inc.....	Bloomfield, Connecticut 06002.....

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)

16.3 Have there been any changes, including name changes in the custodian(s) identified in 16.1 during the current quarter? Yes [] No [X]

16.4 If yes, give full and complete information relating thereto:

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address

SCHEDULE A - VERIFICATION

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	714,177	874,229
2. Increase (decrease) by adjustment	(39,771)	(160,052)
3. Cost of acquired		0
4. Cost of additions to and permanent improvements		0
5. Total profit (loss) on sales		0
6. Increase (decrease) by foreign exchange adjustment		0
7. Amount received on sales		0
8. Book/adjusted carrying value at end of current period	674,406	714,177
9. Total valuation allowance		0
10. Subtotal (Lines 8 plus 9)	674,406	714,177
11. Total nonadmitted amounts		0
12. Statement value, current period (Page 2, real estate lines, current period)	674,406	714,177

SCHEDULE B – VERIFICATION

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	NONE	
2. Amount loaned during period:		
2.1. Actual cost at time of acquisitions		
2.2. Additional investment made after acquisitions		
3. Accrual of discount and mortgage interest points and commitment fees		
4. Increase (decrease) by adjustment		
5. Total profit (loss) on sale		
6. Amounts paid on account or in full during the period		
7. Amortization of premium		
8. Increase (decrease) by foreign exchange adjustment		
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period		
10. Total valuation allowance		
11. Subtotal (Lines 9 plus 10)		
12. Total nonadmitted amounts		
13. Statement value of mortgages owned at end of current period		

SCHEDULE BA – VERIFICATION

Other Invested Assets Included in Schedule BA

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	3,520,750	0
2. Cost of acquisitions during period:		
2.1. Actual cost at time of acquisitions		3,520,750
2.2. Additional investment made after acquisitions		0
3. Accrual of discount		0
4. Increase (decrease) by adjustment	(919,582)	0
5. Total profit (loss) on sale		0
6. Amounts paid on account or in full during the period		0
7. Amortization of premium		0
8. Increase (decrease) by foreign exchange adjustment		0
9. Book/adjusted carrying value of long-term invested assets at end of current period	2,601,168	3,520,750
10. Total valuation allowance		0
11. Subtotal (Lines 9 plus 10)	2,601,168	3,520,750
12. Total nonadmitted amounts		0
13. Statement value of long-term invested assets at end of current period	2,601,168	3,520,750

SCHEDULE D - VERIFICATION

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	41,313,771	15,435,363
2. Cost of bonds and stocks acquired	2,839,471	36,561,040
3. Accrual of discount	(159,827)	(196,491)
4. Increase (decrease) by adjustment	0	
5. Increase (decrease) by foreign exchange adjustment		0
6. Total profit (loss) on disposal	(2,536)	73,656
7. Consideration for bonds and stocks disposed of	4,415,773	10,559,797
8. Amortization of premium		
9. Book/adjusted carrying value, current period	39,575,106	41,313,771
10. Total valuation allowance		0
11. Subtotal (Lines 9 plus 10)	39,575,106	41,313,771
12. Total nonadmitted amounts		0
13. Statement value (Lines 11 minus 12)	39,575,106	41,313,771

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1	70,913,496	23,290,221	13,426,030	(297,485)	80,480,202	0	0	70,913,496
2. Class 2	0				0	0	0	0
3. Class 3	0				0	0	0	0
4. Class 4	0				0	0	0	0
5. Class 5	0				0	0	0	0
6. Class 6	0				0	0	0	0
7. Total Bonds	70,913,496	23,290,221	13,426,030	(297,485)	80,480,202	0	0	70,913,496
PREFERRED STOCK								
8. Class 1	0				0	0	0	
9. Class 2	0				0	0	0	
10. Class 3	0				0	0	0	
11. Class 4	0				0	0	0	
12. Class 5	0				0	0	0	
13. Class 6	0				0	0	0	
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	70,913,496	23,290,221	13,426,030	(297,485)	80,480,202	0	0	70,913,496

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter					
	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Amount of Interest Received Current Quarter	Paid for Accrued Interest
8099999 Totals	40,905,098	XXX	41,169,743	230,722	170,264

SCHEDULE DA - PART 2- Verification

Short-Term Investments Owned		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	29,599,727	31,762,124
2. Cost of short-term investments acquired	20,450,750	108,425,582
3. Increase (decrease) by adjustment	(145,378)	(271,979)
4. Increase (decrease) by foreign exchange adjustment		0
5. Total profit (loss) on disposal of short-term investments		0
6. Consideration received on disposal of short-term investments	9,000,000	110,316,000
7. Book/adjusted carrying value, current period	40,905,099	29,599,727
8. Total valuation allowance		0
9. Subtotal (Lines 7 plus 8)	40,905,099	29,599,727
10. Total nonadmitted amounts		0
11. Statement value (Lines 9 minus 10)	40,905,099	29,599,727
12. Income collected during period	(84,921)	1,294,136
13. Income earned during period	145,079	1,167,714

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

STATEMENT AS OF MARCH 31, 2003 OF THE Priority Health

SCHEDULE S—CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

[illegible]

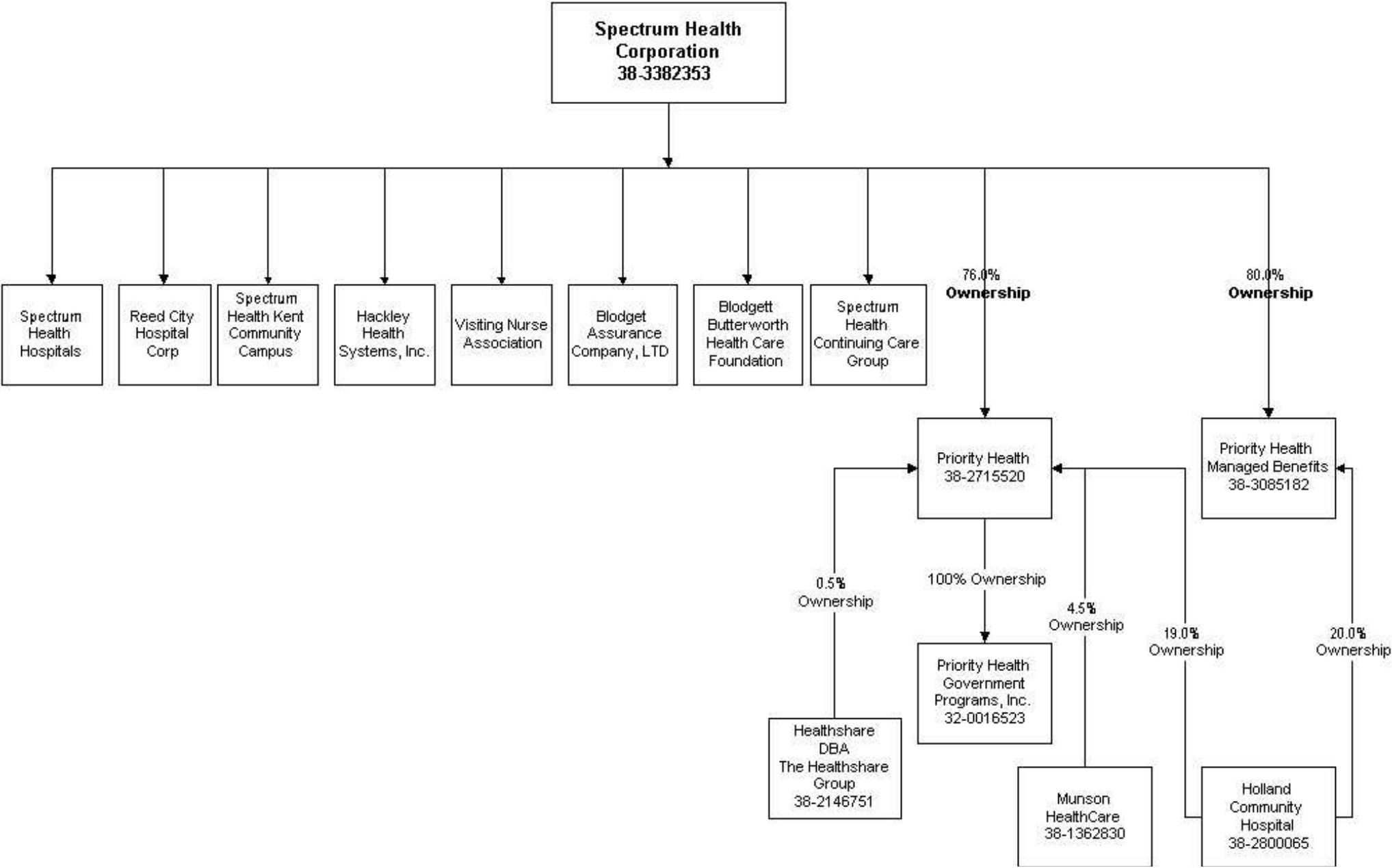
SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	2	Direct Business Only Year-to-Date					
				3	4	5	6	7	8
States, Etc.		Guaranty Fund (Yes or No)	Is Insurer Licensed? (Yes or No)	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life and Annuity Premiums and Deposit-Type Contract Funds	Property/ Casualty Premiums
1. Alabama	AL	No	No						
2. Alaska	AK	No	No						
3. Arizona	AZ	No	No						
4. Arkansas	AR	No	No						
5. California	CA	No	No						
6. Colorado	CO	No	No						
7. Connecticut	CT	No	No						
8. Delaware	DE	No	No						
9. District of Columbia	DC	No	No						
10. Florida	FL	No	No						
11. Georgia	GA	No	No						
12. Hawaii	HI	No	No						
13. Idaho	ID	No	No						
14. Illinois	IL	No	No						
15. Indiana	IN	No	No						
16. Iowa	IA	No	No						
17. Kansas	KS	No	No						
18. Kentucky	KY	No	No						
19. Louisiana	LA	No	No						
20. Maine	ME	No	No						
21. Maryland	MD	No	No						
22. Massachusetts	MA	No	No						
23. Michigan	MI	No	Yes	183,521,648					
24. Minnesota	MN	No	No						
25. Mississippi	MS	No	No						
26. Missouri	MO	No	No						
27. Montana	MT	No	No						
28. Nebraska	NE	No	No						
29. Nevada	NV	No	No						
30. New Hampshire	NH	No	No						
31. New Jersey	NJ	No	No						
32. New Mexico	NM	No	No						
33. New York	NY	No	No						
34. North Carolina	NC	No	No						
35. North Dakota	ND	No	No						
36. Ohio	OH	No	No						
37. Oklahoma	OK	No	No						
38. Oregon	OR	No	No						
39. Pennsylvania	PA	No	No						
40. Rhode Island	RI	No	No						
41. South Carolina	SC	No	No						
42. South Dakota	SD	No	No						
43. Tennessee	TN	No	No						
44. Texas	TX	No	No						
45. Utah	UT	No	No						
46. Vermont	VT	No	No						
47. Virginia	VA	No	No						
48. Washington	WA	No	No						
49. West Virginia	WV	No	No						
50. Wisconsin	WI	No	No						
51. Wyoming	WY	No	No						
52. American Samoa	AS	No	No						
53. Guam	GU	No	No						
54. Puerto Rico	PR	No	No						
55. U.S. Virgin Islands	VI	No	No						
56. Canada	CN	No	No						
57. Aggregate Other Alien	OT	XXX	XXX	0	0	0	0	0	0
58. Total (Direct Business)		XXX	(a) 1	183,521,648	0	0	0	0	0
DETAILS OF WRITE-INS									
5701.									
5702.									
5703.									
5798. Summary of remaining write-ins for Line 57 from overflow page				0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)				0	0	0	0	0	0

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing on "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory question.

RESPONSE

1. Will the SVO Compliance Certification be filed with this statement?

.....Yes.....

Explanation:

Bar Code:

OVERFLOW PAGE FOR WRITE-INS

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets ACQUIRED during the Current Quarter

1 Number of Units and Description	Location		4 Name of Vendor	5 Date Acquired	6 Actual Cost	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Increase (Decrease) by Adjustment	10 Increase (Decrease) by Foreign Exchange Adjustment
	2 City	3 State							
			NONE						
9999999 Totals									

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, transferred or paid in full during the Current Quarter

1 Number of Units and Description	Location		4 Name of Purchaser or Nature of Disposition	5 Date Acquired	6 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	7 Increase (Decrease) by Adjustment	8 Increase (Decrease) by Foreign Exchange Adjustment	9 Book/Adjusted Carrying Value Less Encumbrances at Disposition	10 Consideration Received	11 Foreign Exchange Profit (Loss) on Sale	12 Realized Profit (Loss) on Sale	13 Total Profit (Loss) on Sale
	2 City	3 State										
Investment in Priority Health Government Programs.....	Grand Rapids	Michigan	Operational losses by affiliate.....	10/01/2002	3,520,750	(919,582)						
1499999 - Any Other Class of Invested Assets					3,520,750	(919,582)						
9999999 Totals					3,520,750	(919,582)						

SCHEDULE D - PART 3

1 CUSIP Identification	2 Description	3 Date Acquired	4 Name of Vendor	5 Number of Shares of Stock	6 Actual Cost	7 Par Value	8 Paid for Accrued Interest and Dividends	9 NAIC Designation ^(a)
BONDS GOVERNMENTS UNITED STATES								
3134A4-PX-6.....	FHLMC 3.000 07/15/2004.....	03/19/2003.	FIFTHTHIRD.....		255,125	250,000	1,333	1....
0399996 - Bonds - U.S. Government					255,125	250,000	1,333	XXX
0399999 - Total - Bonds - U.S. Government					255,125	250,000	1,333	XXX
SPECIAL REVENUE & SPECIAL ASSESS. UNITED STATES								
31287X-Z8-2.....	FHLMC C70767 6.000 09/01/2032.....	02/04/2003.	UBS.....		517,605	499,951	1,000	1....
31385J-LC-0.....	FNMA #545823 5.500 08/01/2017.....	02/04/2003.	UBS.....		517,891	500,000	1,375	1....
31393M-6V-8.....	FHLMC 2580 QL 4.500 01/01/2008.....	03/03/2003.	FIRSTTEN.....		511,094	500,000	1,688	1....
3199996 - Bonds - Special Revenues - United States					1,546,590	1,499,951	4,062	XXX
3199999 - Total - Bonds - Special Revenue					1,546,590	1,499,951	4,062	XXX
INDUSTRIAL & MISC. (UNAFFIL) UNITED STATES								
CDH369-65-3.....	HUNTINGTON NATL CD# 4.550 01/22/2004.....	03/24/2003.	FIFTHTHIRD.....		674	674		1....
CDX047-08-7.....	BANK OF HOLLAND CD 4.810 12/24/2005.....	01/23/2003.	FIFTHTHIRD.....		644	644		1....
CDX357-82-5.....	COMERICA BANK CD#38 5.630 07/24/2003.....	03/11/2003.	FIFTHTHIRD.....		891	891		1....
4599996 - Bonds - Industrial and Misc - United States					2,209	2,209	0	XXX
4599999 - Total - Bonds - Industrial, Misc.					2,209	2,209	0	XXX
6099997 - Total - Bonds - Part 3					1,803,924	1,752,160	5,396	XXX
6099998 - Total - Bonds - Part 5					1,035,547	1,000,000	2,375	XXX
6099999 - Total - Bonds					2,839,471	2,752,160	7,771	XXX
6599999 - Total - Preferred Stocks					0	xxx	0	xxx
7099999 - Total - Common Stocks					0	xxx	0	xxx
7199999 - Total - Preferred and Common Stocks					0	xxx	0	xxx
7299999 - Totals					2,839,471	xxx	7,771	xxx

E04

STATEMENT AS OF MARCH 31, 2003 OF THE Priority Health

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identi- fication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Desig- nation (a)
TENNESSEE																
28148N-AL-7	EDUCATIONAL FDG SOU 1.298 06/01/2032	03/26/2003	HOUGH		500,000	500,000	500,000	500,000	0	0	0	0	0	2,184		1PE
TOTAL TENNESSEE					500,000	500,000	500,000	500,000	0	0	0	0	0	2,184	XXX	XXX
TEXAS																
106238-HR-2	BRAZOS TX HIGHER ED 1.500 12/01/2037	03/26/2003	DAIN BOSWORTH		500,000	500,000	500,000	500,000	0	0	0	0	0	2,236		1PE
TOTAL TEXAS					500,000	500,000	500,000	500,000	0	0	0	0	0	2,236	XXX	XXX
WASHINGTON																
86386N-AT-9	STUDENT LN FIN ASSN 1.299 06/01/2038	03/24/2003	HOUGH		500,000	500,000	500,000	500,000	0	0	0	0	0	2,658		1PE
TOTAL WASHINGTON					500,000	500,000	500,000	500,000	0	0	0	0	0	2,658	XXX	XXX
BONDS SPECIAL REVENUE & SPECIAL ASSESS. UNITED STATES																
31287X-Z8-2	FHLMC C70767	09/01/2032	03/01/2003	MBS PAYDOWN	21,630	21,630	22,394	21,638	(8)	0	0	0	0	108		1
31292H-R7-1	FHLMC C01410	10/01/2032	03/01/2003	MBS PAYDOWN	34,936	34,936	36,034	34,990	(53)	0	0	0	0	396		1
31292H-RZ-9	FHLMC C01404	10/01/2032	03/01/2003	MBS PAYDOWN	63,435	63,435	65,814	63,624	(189)	0	0	0	0	723		1
SECURITY CALLED BY ISSUER at																
3133T2-U4-0	FHLMC 26 CC	11/01/2004	03/25/2003	100.00	111,000	111,000	113,914	113,733	(197)	0	0	(2,536)	(2,536)	1,170		1
3133TE-3L-6	FHLMC 2054 PC	11/01/2003	03/01/2003	MBS PAYDOWN	409,043	409,043	417,608	412,694	(3,651)	0	0	0	0	4,806		1
31371H-D9-6	FNMA #252228	12/01/2028	03/01/2003	MBS PAYDOWN	38,996	38,996	40,842	39,104	(107)	0	0	0	0	424		1
31374G-WG-8	FNMA #313947	01/01/2028	03/01/2003	MBS PAYDOWN	54,365	54,365	56,947	54,586	(221)	0	0	0	0	601		1
31385J-LC-0	FNMA #545823	08/01/2017	03/01/2003	MBS PAYDOWN	20,950	20,950	21,700	20,950	0	0	0	0	0	96		1
31388K-GA-4	FNMA #606893	10/01/2031	03/01/2003	MBS PAYDOWN	70,844	70,844	72,903	70,989	(145)	0	0	0	0	755		1
31388L-C8-1	FNMA #607695	11/01/2031	03/01/2003	MBS PAYDOWN	57,960	57,960	59,925	58,092	(132)	0	0	0	0	675		1
31388R-GT-8	FNMA #612310	09/01/2016	03/01/2003	MBS PAYDOWN	118,244	118,244	122,198	118,664	(420)	0	0	0	0	1,104		1
31389U-TR-0	FNMA #636060	04/01/2032	03/01/2003	MBS PAYDOWN	101,816	101,816	105,857	102,218	(402)	0	0	0	0	1,120		1
31390P-TE-7	FNMA #652249	09/01/2017	03/01/2003	MBS PAYDOWN	178,013	178,013	181,350	178,390	(378)	0	0	0	0	1,652		1
31391D-DD-2	FNMA #663500	10/01/2032	03/01/2003	MBS PAYDOWN	3,792	3,792	3,840	3,793	(1)	0	0	0	0	35		1
31391J-JW-3	FNMA #668168	11/01/2032	03/01/2003	MBS PAYDOWN	1,477	1,477	1,520	1,478	(1)	0	0	0	0	15		1
31391Q-S8-8	FNMA #673843	10/01/2017	03/01/2003	MBS PAYDOWN	16,100	16,100	16,407	16,107	(7)	0	0	0	0	148		1
3199996 - Bonds - Special Revenues - United States					2,802,602	2,802,602	2,839,252	2,811,049	(5,911)	0	0	(2,536)	(2,536)	20,904	XXX	XXX
3199999 - Bonds - Special Revenues					2,802,602	2,802,602	2,839,252	2,811,049	(5,911)	0	0	(2,536)	(2,536)	20,904	XXX	XXX
INDUSTRIAL & MISC. (UNAFFIL) UNITED STATES																
07383F-AA-6	BSCMS 1998-C1 A1	10/01/2007	03/01/2003	MBS PAYDOWN	16,737	16,737	18,125	16,780	(43)	0	0	0	0	189		1
78442G-AX-4	SLMA 1998-1 A1	10/25/2003	01/25/2003	MBS PAYDOWN	389,592	389,592	389,842	389,592	0	0	0	0	0	1,997		1PE
89232U-AB-2	TAOT 2001-B A3	03/15/2005	03/15/2003	MBS PAYDOWN	121,296	121,296	121,324	121,300	(4)	0	0	0	0	301		1PE
CDX356-50-4	STANDARD FEDERAL CD	01/22/2003	01/22/2003	MATURITY	50,000	50,000	50,000	50,000	0	0	0	0	0	412		1
4599996 - Bonds - Industrial and Misc - United States					577,624	577,624	579,292	577,672	(47)	0	0	0	0	2,899	XXX	XXX
4599999 - Bonds - Industrial and Miscellaneous					577,624	577,624	579,292	577,672	(47)	0	0	0	0	2,899	XXX	XXX
6099997 - Bonds - Part 4					3,380,226	3,380,226	3,418,544	3,388,721	(5,959)	0	0	(2,536)	(2,536)	23,803	XXX	XXX
6099998 - Bonds - Part 5					1,035,547	1,000,000	1,035,547	1,035,547	0	0	0	0	0	2,375	XXX	XXX
6099999 - Total - Bonds					4,415,773	4,380,226	4,454,091	4,424,268	(5,959)	0	0	(2,536)	(2,536)	26,178	XXX	XXX
6599999 - Total - Preferred Stocks					0	XXX	0	0	0	0	0	0	0	XXX	0	XXX
7099999 - Total - Common Stocks					0	XXX	0	0	0	0	0	0	0	XXX	0	XXX
7199999 - Total - Preferred and Common Stocks					0	XXX	0	0	0	0	0	0	0	XXX	0	XXX
7299999 Totals					4,415,773	XXX	4,454,091	4,424,268	(5,959)	0	0	(2,536)	(2,536)	26,178	0	XXX

(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

STATEMENT AS OF MARCH 31, 2003 OF THE Priority Health

SCHEDULE E - PART 1 - CASH

[illegible]